

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

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In re	: Chapter 11
	:
TELEGLOBE COMMUNICATIONS	: Jointly Administered
CORPORATION, <u>et al.</u>	: Bankr. Case No. 02-11518
Debtors.	:
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TELEGLOBE COMMUNICATIONS	:
CORPORATION, <u>et al.</u> ,	:
Plaintiffs,	:
	:
v.	: C.A. No. 04-CV-1266 (SLR)
	:
BCE INC., MICHAEL T. BOYCHUK,	:
MARC A. BOUCHARD, SERGE FORTIN,	:
TERENCE J. JARMAN, STEWART VERGE,	:
JEAN C. MONTY, RICHARD J. CURRIE,	:
THOMAS KIERANS, STEPHEN P. SKINNER,	:
and H. ARNOLD STEINBERG,	:
Defendants.	:
-----X	

**DEFENDANTS' REPLY TO DEBTORS' RESPONSE TO THE COURT'S
JULY 18, 2005 ORDER REQUESTING IDENTIFICATION OF
OUTSTANDING ISSUES PRESENTED IN DEBTORS' MOTION TO COMPEL**

Defendants hereby reply to Debtors' Response to the Court's July 18, 2005 Order requesting identification of the outstanding issues presented in the Debtors' Motion to Compel (D I 74), dated February 11, 2005. Defendants state as follows:

1. Defendants agree that there remains only one outstanding issue raised in the Debtors' Motion to Compel of February 11, 2005. That issue relates to BCE's decision to withhold from production on the grounds of privilege documents

authored, transmitted and received by attorneys for BCE and that reflect the provision of legal advice solely to BCE.¹

2. In their recent response to the Court's July 18, 2005 order, the Debtors relied on *In re Mirant Corp.*, 2005 Bankr. LEXIS 1139 (N.D. Tex. June 15, 2005). Their reliance is misplaced. *Mirant* is not applicable to the facts of the instant case. *Mirant* involved the *joint* representation by counsel of both the parent corporation and subsidiary companies in the same transaction. In this case, BCE has already produced the documents relating to transactions in which counsel jointly represented both BCE and Teleglobe. BCE appropriately has continued to withhold on the grounds of privilege documents reflecting legal advice on matters that were not the subject of a joint representation, but instead were matters in which counsel represented only BCE.

¹ The specific portions of the July 7, 2005 transcript that address this issue, as referenced in the Debtors' Response to the Court's July 18, 2005 Order, may be found at pages 40 through 52 of the transcript.

Dated: August 15, 2005
Wilmington, Delaware

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CERTIFICATE OF SERVICE

I hereby certify that on August 15, 2005, I electronically filed a true and correct copy of foregoing Defendants' Reply to Debtors' Response to the Court's July 18, 2005 Order Requesting Identification of Outstanding Issues Presented in Debtors' Motion to Compel with the Clerk of the Court using CM/ECF, which will send notification that such filing is available for viewing and downloading to the following counsel of record:

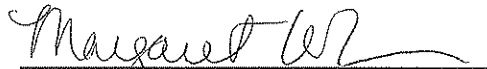
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I further certify that on August 8, 2005, I caused a copy of the foregoing Defendants' Reply to Debtors' Response to the Court's July 18, 2005 Order Requesting Identification of Outstanding Issues Presented in Debtors' Motion to Compel on the to be served upon the following non-registered participants in the manner indicated below:

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